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NORTH VIETNAM GOVERNMENT REPORT ON
1960 STATE PLAN BEFORE NATIONAL ASSEMBLY

by Nguyen Duy Trinh

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FOREWORD

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NORTH VIETNAM GOVERNMENT REPORT

ON 1960 STATE PLAN BEFORE NATIONAL ASSEMBLY

The following is a translation of the full text of the government report on 1960 State Plan, submitted by Nguyen Duy Trinh, Chairman of the State Planning Commission of the North Vietnam government to the 12th Session of the National Assembly on 11 April 1960. It was published in the Nhan Dan (The People) Hanoi, 12 and 13 April 1960, page 3./

Delegates to National Assembly,

On behalf of the Government, we now report to the National Assembly on the 1960 State Plan.

This plan has been set up on the basis of the Three-Year Plan and the state of achievement of the 1959 plan.

The year 1960 marks the end of the Three-Year Plan and is also the year in which we make effective preparations for the beginning of the Five-Year Plan; therefore the 1960 plan has a great deal of importance.

As the present session of the National Assembly approves the 1960 State Plan, it will encourage our entire people to struggle more actively to bring the 1960 plan to success, thus setting a proper pace for the First Five-Year Plan.

A. Achievement of 1959 State Plan

The 1959 State Plan, approved by the National Assembly in its tenth session, had the following aims: to speed up the reforming of socialism, particularly the reforming of socialism regarding agriculture; to develop actively basic reconstruction work, particularly industrial reconstruction; and to increase to our utmost agricultural and industrial production, with agricultural production as the number one aim, and at the same time to pay greater attention to industrial production and handicraft.

Under the leadership of the party and the government, with an even increasing spirit of understanding of socialism, our people have struggled hard, have overcome many difficulties, have actively taken part in production competition and reconstruction work and thus have made many remarkable achievements. The 1959 State Plan has been successfully completed in various fields.

1. In the light of the resolutions of the 14th and 16th conferences of the Central Executive Committee of the Lao Dong Party, and of the 9th and 10th sessions of the National Assembly, the reforming of socialism has been pushed ahead and has made a new step forward.

The fast-developing collectivizing of agriculture has become a wide-spread popular movement. By the end of 1959, there were 28,775 agricultural production cooperatives, 1,033 of which were of higher level, which covered 1,233,700 houses, or 45.4 percent of the total number of houses of agricultural workers. As compared to the end of 1958, the number of cooperatives had increased by 5.5 times and the number of houses that joined cooperatives had increased by 9 times. The size of the cooperatives was also increased on the average from 36 to 43 houses. In 1,800 villages or nearly 32 percent of the total number of villages in the North, from 60 to 80 percent of the houses had joined the agricultural production cooperatives.

In the coastal area, 25 percent of the total population of fishermen and 35 percent of the total number of houses of salt-producing people had formed themselves into cooperatives.

As to the handicraftsmen, more than 190,000 persons, that is 65 percent of the total number of professional handicraftsmen, had joined the cooperatives and similar organizations, in which the cooperatives and the handicraft production groups represent almost 30 percent of those who have been reorganized.

Among small businessmen, more than 28,000 people, that is 12.9 percent, joined collective cells, mostly the so-called share-in-buying-and-selling cells. Nearly 60 percent of the reorganized small businessmen live in cities. In the process of being collectivized, nearly 12,000 persons, that is 5.5 percent the total number of small businessmen, were transferred to production; a small number of them was chosen to become the staff of the state-owned trade offices.

The fast-developing reforming of socialism regarding farmers, handicraftsmen and small businessmen very clearly demonstrated the working class's socialist revolutionary fervor. In the mountainous areas, the movement for collectivizing agriculture which achieved as the first step democratic reforms and expansion made a good impression among the population.

While being developed, the cooperatives were gradually strengthened and as a result helped increase production. Many agricultural production cooperatives were pioneering in reforming techniques, doing small water resource work, storing manure, applying manure to plants, ploughing deeply, replanting thickly, and using improved agricultural tools, and therefore were successful in collecting more cooperative members. In the handicraft production cooperatives, the reforming of techniques made remarkable progress and helped increase the number of new products, output of workers, and income of members.

The movement for collectivizing agriculture did develop fast, but its consolidating work was still far behind. The work of educating and leadership of thoughts in the cooperatives were still weak; the management of cooperatives was still in disorder. The movement for

collectivizing handicraft and small businessmen was slow in its development; a number of handicraft production cooperatives had to face difficulties in raw materials and consumption of their products.

In the field of state-owned state-operated economy, 2,028 houses joined the joint businesses which covered 45 percent of total number of houses, 68 percent of total invested capital, and 65 percent of total number of workers. Thanks to the stress on the importance of production, the encouragement given to the workers, the more logical rearrangement of production, the use of better machines, the saving of raw materials, the production of a number of new products, the majority of the joint businesses made great progress; in industrial institutions, the output of those producing goods needed in reconstruction work and in the people's daily living was increased three to four times as compared to the plan; in transportation, the use of vehicles was 50 percent more than before; the number of stores was four to five times greater; in the field of culture and arts, the remnants of the old way of doing business and remnants of the backward and reactionary culture of the old regime were annihilated. Along with big economic achievements, we have also made big political achievements: a majority of workers in individually-owned factories who had been bound by the importance of capitalist production was now liberated; the degree of understanding socialism, the behavior of owners of factories, and the spirit of unity and mutual help were all improved. All institutions have had their unions, and wherever there were young people, local units of labor youth were set up to show the active part of the youth. Along with reforms in factories, private property owners underwent the beginning of the reforming of their thoughts; those who have previously participated in business were classified and transferred to production, management or technical work. A number of them were making great efforts in their work to contribute to the common good along with factory-building workers.

In 1959, we were effectively strengthening the state-owned economy, on the one hand by increasing the density of the state-owned industry, transportation, and commerce, and on the other by realizing the movement for improving factory management, the basis for realization of the goals the party and government had set forth for the beginning of the so-called socialist management in state-owned factories. The degree of understanding, the political capacity, and the ability in organizing factory management of workers, officials and agents were all improved because of the fact that the teaching of agents and workers to understand socialism, the realization of political management in factories, the development of the employers' spirit, and the workers' creative power to serve and increase production had all been given great attention. We have made great achievements which, however, are but initial ones; we still have to continue strengthening and developing the already-obtained results, try to improve practices and regulations, and improve production management.

Generally speaking, the reforming of socialism and the movement toward improving factory management and workshop management is creating great revolutionary changes in the society and in the people's economy of the North. Those achievements did affect very much the realization of the 1959 State Plan; furthermore, they are the very important foundation on which we will complete our task of reforming socialism and speeding up the construction of socialism in the North.

2. In the field of production, although there have been difficulties, we still are able to keep a fast pace of progress.

In agricultural production, the value of our total output in 1959 showed an 8.2 percent increase over that of 1958.

The rice output reached the 5,194,000 ton mark, an increase of 13.4 percent over 1958. The output during the period of the 10th-month rice crop reached the 20.71 picul mark and the output during the period of the 5th-month rice crop reached the 24.13 picul mark, higher than all previous records. Regarding secondary crops, our corn output showed a 28.6 percent increase; sweet potato 69.2 percent; and manioc 64.7 percent. The corn and potato output represented a big increase over that of 1958. If we converted the value of our secondary crops into that of rice, we would have a total increase in our food production of 1,400,000 tons over that of 1957 or a total increase of 900,000 tons over that of 1958.

As for industrial plants, the cotton output increased by 10.6 percent; the jute output 23.7 percent; and the castor oil output 73.4 percent. The acreage for coffee planting was increased by 1,231 hectares, or an increase of 65 percent.

Raising of fish in lakes, ponds and rice fields was much increased as compared to the previous years' records.

The state-owned farms doubled the cultivated acreage as compared with that of 1958; their corn and rice output were much increased. The management of these farms showed some progress, too: labor productivity increased by 20 percent and a number of farms began making profits.

Regarding the over-all agricultural production of 1959, despite many calamities, such as the drought that struck our 10th-month crop, the flood that affected a few places during the period of our 5th-month rice crop, we did make great achievements, particularly in food production. However as we consider our pre-planned goals, we find that many branches of our economy failed to reach them, many aspects of our movement for nation-wide agricultural production development lacked proper attention.

Regarding rice production, although it increased by 600,000 tons as compared to 1958, it was far from being at the planned level. This failure was mainly due to over-estimating the cultivated acreage for 10th-month rice crop and 5th-month rice production, hence over-estimating of rice output. When we were drafting plans, we very much over-estimated our ability for development. Speaking of facts the rice output that was obtained was the result of great efforts: for instance,

regarding technical reforms, in 1959, the irrigated acreage was increased by 259,000 hectares; thick planting according to 20 by 20 pattern or thicker was applied to more than half the cultivated acreage; manure was used, on the average, in the amount of 6 tons per hectare. On the basis of collectivization and technical reform, we have great ability to speed up agricultural development. But in the first years of transferring from individual to collective production, the management of cooperatives lacked experience, the reforming of techniques made only a small step forward, producing tools underwent only minor improvement, and production still depended much on nature; therefore it was impossible for our production to reach heavily-increased outputs. We relied on these experiences to decide upon the rice output goals for 1960.

In industrial and handicraft production, the value of productivity in 1959 was increased 31 percent as compared to that of 1958. Handicraft was boosted by 18.2 percent alone. State-owned industries increased by 58.7 percent - 60.5 percent for Sector A, 56.5 percent for Sector B. The fundamental products were very much increased: electric power, 31.4 percent; coal, 41.8 percent; fertilizers, 46.2 percent; cement, 26.2 percent; tin, 64.1 percent; timber, 60.6 percent; plywood, 131.2 percent; cotton material of all kinds, 11.7 percent; cigarettes, 116.8 percent; paper, 37 percent; soap, 52.6 percent; matches, 381.4 percent; and processed rice, 30.8 percent. Machine tools produced by the Hanoi Engine Factory increased 5.5 percent in quantity.

The pace of progress of industries handicraft in 1959 was the fastest so far. Because of fast development of industries and handicraft, the portion accounted for by industries and handicraft of the total value of industrial and agricultural output was increased from 32.8 percent in 1958 to 37.1 percent.

The state-owned factories have produced a number of new goods, like machine tools, brick-and-tile-making machines, weaving machines, train cars, fire-proof bricks, and many items of consumer goods like woven material, plastic wares, stationery, tooth paste, and enameled hard-wares. A remarkable thing is that the local state-owned industries, which only began in 1959, now comprise more than 500 units, occupying 12.4 percent of the total value of the state-owned industry production. These local industries, along with handicraft, made a big contribution to the basic reconstruction work and helped supply consumer goods to the people.

In 1959, our branches of industry made great progress, but still some major lines of industry were behind the projected goals. The improvement of quality, the increase of labor effectiveness, the reduction of prices did not get enough attention. A number of major lines of handicraft, such as brick- and tile-making, and fish raising, did not achieve the predicted goals despite their great potentials.

3. Basic construction

Basic construction work in 1959 was pushed ahead with the fastest speed so far and had a good effect upon economic and cultural development. The total amount of investment in 1959 was 494 million piastres, an increase of 67.6 percent as compared with 1958; construction

and assembly work alone was increased by 66.6 percent. Basic industrial construction work accounted for 45.4 percent of the total amount of investment, representing an increase of 92.1 percent as compared with that of 1958; basic agricultural construction work accounted for 8.7 percent; transportation and postal work 20.2 percent; and non-productive construction work 1.5 percent or an increase of 70.1 percent.

In 1959, 130 projects were completed before their deadlines; more than 60 projects were about to be completed and 5 others already had entered their productive state.

As for industries, construction work was completed on many projects aimed at producing consumer goods, such as factories to make plastic ware, stationery, cigarettes, soap, processed rubber, enameled metalware, ... and a number of projects in Section A, such as the Ban Thach Power Plant, gas plant, chromite mine, apatite mine (second stage). With both 1958 and 1959 combined, 46 industrial projects were already completed, 20 of which were for production materials and 26 for consumer goods. In addition to those projects, more than 500 local industrial institutions for the production of agricultural implements, fertilizers, construction material, sugar, and fish sauce were also completed.

In agriculture, 15 million cubic meters of dikes were built; more than 140,000 cubic meters of small dams were constructed; and a number of water resource projects for the irrigation of more than 120,000 hectares were completed.

As for communication, railroads were improved; the laying of the Dong Anh-Thai Nguyen Railroad was started; and highways were widened and improved.

In addition to the basic construction work of the state, our workers in the country and in cities also joined their efforts to build many popular works such as small water resource works, schools, and public health units.... Regarding the labor force, the professional workers' force was increased by 20,000 people and professional capacity in construction and assembly work showed much progress. In many open-air workshops, speed in construction work was clearly increasing; labor output of the workers in a number of works showed a lot of improvement. Construction work by machines began to increase in concrete construction, assembling beams, mixing mortar, pounding or digging the soil.... The improvement of primitive tools was given greater attention and had a lot to do with the increase of productivity and speed of labor.

However as compared with the goals of the plan, the total amount of investment in basic construction work reached only 88.2 percent; investment in construction and assembly work alone reached 88 percent of the predicted marks. A number of projects had to undergo changes because of the failure to study carefully the aim, and the premises by those responsible. The supply of material was not regular; the transportation was not timely, thus causing shortages; the use of labor and material was inefficient; the leadership and education of the mind as they were carried out in the open-air workshops were still weak despite the heavy responsibility of the basic construction work.

4. Other fields of activity such as transportation, commerce, finance, culture, education, public health, training of agents, did make great progress in the past year. Transportation was increased to 102.8 percent or 58 percent over the 1958 mark in terms of volume of merchandise transported inside the country. This was a great effort. But owing to the lack of proper means, bad roads, slow loading and unloading, transportation sometimes and in some places was difficult.

In commerce, the total amount of goods retailed increased by 12.3 percent over 1958. The sector of socialist commerce developed fast; in 1958 it was 35.5 percent, but in 1959 it was increased to 52 percent of the total commerce. The commerce sector made many efforts to supply material for basic construction work, raw material for production, and consumer goods to the people. The level of supplies was kept much higher than that of 1958. Prices in general were stable. However, the supply of goods was not sufficient and timely. The purchase of farm products was not speeded up; the amount of this purchase was too low as compared with the volume of our farm products.

Foreign trade attained remarkable achievements in expanding exports, gave good impulse to our production, solved the job problem for tens of thousands of people, and increased our relations with other friendly countries as well as strengthened trade relations with other countries.

As for our finance, the total receipts showed an increase of 24.8 percent over that of 1958; 68.5 percent of our budget was spent in economic and cultural constructive works. The change of our currency unit was accomplished quickly and easily due to the support of the people. This was a great political victory.

In cultural affairs, the publishing of books and newspapers and the attendance at cinema shows were all beyond the predicted marks. The cultural complementing work was well increased, but not stable. The work in popular education was swiftly carried out, in the direction of 'strong and over-all development' and at the same time without sacrifice of quality; the movement for creation of socialist schools began having good effects upon teaching and studying. About 50 percent of all children from 6 to 16 years of age had schools to go to. The number of students in the popular classes at the beginning of the school year was 1,510,000, representing a 50 percent increase over 1957. The training of agents this year was speeding up very much. The number of students enrolled in technical schools and at the university in 1959 was well above the number indicated in the Three-Year Plan and represented a 100 percent increase over 1957. Moreover, the number of students sent abroad was also larger than in 1958.

Because of developments in every field of action, the working people's life has been much improved. In cities, more than 40,000 people were employed in different branches of the state-owned economy (mostly in production and construction branches) and about 22,000 others were placed into various jobs. Average salaries of workers and civil servants increased by 1.8 percent as compared with 1958. Regarding the welfare

of workers and civil servants, the state spent a sum of money about equal to 11 percent of the salary budget. Besides, labor insurance, wages, and bonuses were given workers which helped increase their actual income.

In the countryside, thanks to the large 10th-month and 5th-month rice crops, the farmers' living was further improved.

In short, the realization of the 1959 state plan attained great achievements. The reforming of socialism was expanded, thus paving the way for a sounder development of the plan in 1960 with the completion of low-level collectivization of individualist economy and the creation of jointly (state and private) owned institutions regarding the capitalist economy. Agricultural and industrial production and basic construction work were all developed at a fast pace. On the basis of development of production, the people's living standard was now a step higher.

However, the 1959 state plan saw some sectors fail to reach the predicted levels. The reason was partially in the natural difficulties such as calamities we had faced, the low technical ability of our agents and workers, the weakness in management of projects; mainly however, the reason behind this failure was in our own shortcomings which were divided into two categories, those related to planning, and those related to leadership in carrying the plans out. At the time of the planning, because of failure to understand every facet, every difficulty, and objective spirit, many goals were set unrealistically high and this caused much tension at the time the plan was executed. Although we attained great achievements in every aspect of our economic and cultural development, we still were behind our goals. The more important reason was the shortcomings in leadership. The education of the mind was not proper and continuous. Our agents did not actually rely on the people, nor did they avail themselves of all advantages and overcome difficulties so as to push the whole movement ahead. Economic management and leadership in the carrying out of the plan were not improved soon enough.

We have to look at these experiences and strengthen our leadership and overcome the past weaknesses in order to mobilize the whole people into struggling harder for even greater victories in 1960.

B. Characteristics of the Situation and Responsibility of the 1960 State Plan

The year 1960 is the concluding year for the completion of the Three-Year Plan and also the year of preparedness for the first Five-Year Plan. Therefore, we have to do our best to achieve the goals of the 1960 plan and at the same time to set aside a force of agents and provide the financial support necessary to prepare for the coming years (preparation in the mind, policies, methods, organizational setup, and physical and technical institutions).

It is possible to achieve these things because, in 1960, we have the following basic advantages:

In the political aspect and that of the mind, there are many aspects of 1960 which will affect the people's movement. Since the beginning of this year, to celebrate actively the 30th anniversary of the creation of the party, to show the enthusiasm and confidence in the promulgation of the new Constitution, people everywhere, from factories to open air workshops and collective farms, from rural areas to cities, have been doing their best to compete in production and construction work. The competition movement has been expanded and has brought about numerous attempts and good achievements. In the days to come, our people will elect the National Assembly, celebrate the 70th birthday of our President Ho, and celebrate the 15th anniversary of the foundation of the Democratic Republic of Vietnam; the political life will be more active and rich. The reforming of socialism will develop swiftly along with an increase of the people's understanding of socialism.

Economically speaking, in the past year, as all the fields of action were enlarged, conditions appropriate for the realization of the 1960 plan were attained. In agriculture, along with an expansion of the collectivization movement, the movement for technical reforms and small water resource work was more and more developed; our agents and the population were acquiring more experience. In industry, the movement toward reforming factory management began showing its effects. We will have a number of fully completed construction projects entering the production stage, more machines and equipment for production, construction and transportation, and more newly-trained technical agents and skilled workers.

Speaking of the world, the Soviet Union is attaining great achievements in the building of Communism as well as in the fields of science and technology. The building of socialism in China and other fraternal countries is winning more and more victories; the struggle of the world's peoples for peace is also winning great victories. Such a situation encourages our people and makes us more enthusiastic in building socialism in the North and in struggling for reunification of the country.

Beside these advantages, we are faced with many a difficulty and contradiction. There are long-existing difficulties which cannot be immediately overcome. There are also difficulties that have appeared only during the course of the development of our movement. The reforming of socialism gives birth to many new problems which have to be studied to be solved in time; the scope of the movement is still limited. In production and construction work, we are faced with many difficulties in regard to materials, technical agents, and workers; the capacity of our organizational setup and management is still low.

Such are difficulties we meet on the path of our growth. With the aid of the above-mentioned basic advantages, we can overcome them.

In our planning and leadership, we have to pay proper attention to understanding the situation. The general direction of the 1960 State Plan is to continue the fast, sound pace of progress which will

help bring about the reforming of socialism and the successful building of socialism in the North and guarantee that the plan be achieved well above the present level and before the deadline, thereby building up the people's confidence and enthusiasm before they enter the Five-Year Plan.

On the basis of the responsibility of the Three-Year Plan and the results obtained in 1959, the 1960 State Plan has the following principal responsibilities:

1. To enlarge and strengthen the movement for socialist reform, to complete the low-level collectivization of agriculture and handicraft and the creation of jointly owned trade and business, to strengthen at the same time the state-owned economy which is the springboard for the achievement of socialist reform, and to expand and consolidate socialist production, a factor in the people's economy.

2. To develop agricultural and industrial production with an aim to developing agriculture in an over-all, fast and sound manner, paying more attention to food production without disregarding the development of industry and handicraft for an increase of production material and consumer goods. To develop communication and transportation actively and to speed up commerce and trade with an aim to satisfying demands in construction work, increasing production, and raising the people's living standard. To use fully all political, economic, and technical advantages, to strengthen management in state-owned institutions, jointly-owned institutions, and cooperatives, and to boost labor output.

3. To increase construction work in industry, in agriculture and in other economic fields and at the same time to build more cultural and educational institutions and more public properties and houses.

4. To speed up all educational, scientific, and technical works, and the training of skilled labor; to expand the research and the investigation and planning projects in order to prepare for the Five-Year Plan.

5. To continue improving the physical and cultural life of our labor classes; to increase the income of farmers and handicraftsmen; to improve the salary setup and raise salaries of our workers, civil servants, agents, and army men; and to try to secure social welfare and at the same time to encourage the people to be thrifty in spending and to follow the motto, "Be thrifty to build the nation." While developing the economy and culture, to strengthen our defense.

To achieve the above goals, we have to try hard to reach the following goals in the economic and cultural fields:

The total value of agricultural and industrial output is set at 4,335 million piastres, or an increase of 14.3 percent over the 1959 mark.

In agriculture:

Total value of agricultural and secondary output is set at 2,687 million piastres, or an increase of 11.5 percent over the 1959 mark, in which: the value of products in the cultivation branch is 1,701 million piastres, an increase of 9 percent over 1959; the value of products in the animal-raising sector is 643 million piastres,

an increase of 29.5 percent over the 1959 mark; and the value of products of secondary professions is 343 million piastres, an increase of 219 percent over 1959.

In cultivation, the value of food plant products is set at 1,326 million piastres, an increase of 6 percent over 1959. The value of industrial plant products is 91 million piastres, an increase of 27.6 percent over the 1959 mark.

A number of fundamental products will reach the following levels: rice 5.5 million tons, 4.7 percent increase over the 1959 mark; corn 262,000 tons, 14.8 percent increase over the 1959 mark; cotton 7,500 tons, 21.1 percent increase over the 1959 mark; jute 14,450 tons, 81.7 percent increase over the 1959 mark; "coi" 14,300 tons, 5.1 percent increase over the 1959 mark; soya beans 14,100 tons, 36.8 percent over the 1959 mark; peanuts 42,600 tons, 30.7 percent increase over the 1959 mark; sugarcane 567,000 tons, 14.3 percent increase over the 1959 mark; castor-oil 2,700 tons, 43.4 percent increase over the 1959 mark; cigarettes 1,870 tons, 136.7 percent increase over the 1959 mark; tea 3,100 tons, 18.7 percent increase over the 1959 mark; resin 370 tons, 19.3 percent increase over the 1959 mark; and coffee 420 tons, 4.2 percent increase over the 1959 mark.

In industry and handicraft:

Total value of industrial and handicraft output is set at 1,648 million piastres or an increase of 19.2 percent over 1959, in which Sector A is set at 530 million piastres, or a 29.9 percent increase and a density of 32.2 percent (29.5 percent in 1959). Sector B is set at 1,118 million piastres, an increase of 14.7 percent over that of 1959 and a density of 67.8 percent (70.5 percent in 1959).

The value of industrial output is broken down as follows: state-owned industry, 732 million piastres, or a 26.4 percent increase over 1959; jointly-owned industry and cooperative factories, 156 million piastres; and handicraft, 760 million piastres, or an increase of 12.7 percent over the 1959 mark.

A number of fundamental products will reach the following levels: electrical power 255 million kilowatt-hours, 22.6 percent increase over the 1959 mark; processed coal 2,450,000 tons, 9.1 percent increase over the 1959 mark; apatite ore 450,000 tons, 77.2 percent increase over the 1959 mark; cement 380,000 tons, equal to the 1959 mark; timber 735,000 cubic meters, 16.6 percent increase over the 1959 mark; bricks 423 million, 41 percent increase over the 1959 mark; machine-tools 570, 113 percent increase over the 1959 mark; train cars 200, 33.4 percent increase over the 1959 mark; cotton material 82 million meters, 7.2 percent increase over the 1959 mark; winter vests 5,300,000, 55 percent increase over the 1959 mark; processed rice 440,000 tons, 14.6 percent increase over the 1959 mark; sea fish 151,000 tons, 15.2 percent increase over the 1959 mark; and salt 145,000 tons, 11.6 percent increase over the 1959 mark.

In basic construction:

Total invested capital is set at 775 million piastres, or a 46.4 percent increase over the 1959 mark, in which capital invested in construction equipment is 311.7 million and in construction and assembly work 430.5 million while other expenditures for basic construction work total 32.8 million. Capital to be put under management by central organizations is 712 million piastres and capital to be put under local management is 63 million piastres. Capital to be invested in productive projects is 604.7 million, a density of 81.8 percent (84 percent in 1959); capital to be invested into nonproductive projects is 134.3 million, a density of 18.2 percent (15 percent in 1959). In 1960, 146 units will be built, including 70 units in the starting stage, and 87 others in the productive stage.

In transportation and postal work:

Volume of transported merchandises is set at 1,161 million ton-kilometers, or an increase of 33 percent as compared with 1959, in which: railroad transportation was 668 million ton-kilometers, 32.5 percent increase over the 1959 mark; river transportation was 303 million ton-kilometers, 34.6 percent increase over the 1959 mark; truck transportation was 110 million ton-kilometers, 37.4 percent increase over the 1959 mark; and sea transportation was 80 million ton-kilometers, 28 percent increase over the 1959 mark.

The volume of postal work is set at the value of 13.5 million piastres, or a 17.4 percent increase over that of 1959.

In commerce:

Retailing in social commerce is set at 1,696 million piastres, an increase of 14.1 percent over 1959. This figure is broken down as follows: state-operated sector 610 million piastres, 18.3 percent increase over that of 1959; cooperative sector 373 million piastres, 44.9 percent increase over that of 1959; state-owned sector 330 million piastres, 40.3 percent increase over that of 1959; and private sector 383 million piastres, only 79.9 percent of the 1959 level.

A number of fundamental products for retailing will reach the following levels: rice 427,000 tons, or only 90 percent of the 1959 level (due to increase of locally-grown rice in the countryside); fish sauce 32 million litres, 23 percent increase over the 1959 mark; meats (beef, pork) 89,000 tons, 3 percent increase over the 1959 mark; fresh fish 80,000 tons, 13 percent increase over the 1959 mark; sugar and syrup 22,000 tons, 17.5 percent increase over the 1959 mark; cotton material 84 million meters, 16 percent increase over the 1959 mark; soap 4,000 tons, 18.3 percent increase over the 1959 mark; writing paper 4,000 tons, 33.3 percent increase over the 1959 mark; china wares 45 million pieces, 4.7 percent increase over the 1959 mark; and chemical fertilizers 130,000 tons, 20 percent increase over the 1959 mark.

The purchase of a number of fundamental farm products is set at these levels: rice 680,000 tons, 47.8 percent increase over the 1959 level; corn 50,000 tons, 78 percent increase over the 1959 level; cotton seeds 4,200 tons, 55.5 percent increase over the 1959 level;

jute 13,600 tons, 79 percent increase over the 1959 level;
soya beans 5,500 tons, 48.6 percent increase over the 1959 level;
peanuts (whole) 25,000 tons, 92 percent increase over the 1959 level;
castor-oil seeds 2,500 tons, 66.6 percent increase over the 1959 level;
dried tobacco 1,100 tons, 182 percent increase over the 1959 level;
dried tea leaves 1,900 tons, 36 percent increase over the 1959 level;
meats 58,000 tons, 31 percent increase over the 1959 level; and timber
600,000 cubic meters, 50 percent increase over the 1959 level.

Regarding labor and salaries:

The number of agents and employees working in all the state institutions is set at 367,000, or an increase of 17.6 percent as compared with that of 1959; and total salaries are set at 268 million piastres, or an increase of 31.2 percent over the 1959 level.

Labor output in a number of fundamental branches, as compared with 1959, will be increased as follows: state-operated factories and industry, 9.2 percent; factories related to forest exploitation, 15 percent; basic construction work, 8 percent; state-operated farms, 23.6 percent; state-operated transportation, 9.4 percent; and state-operated commerce, 20.2 percent.

Regarding total cost:

Total cost in a number of fundamental branches, as compared to 1959, will be reduced as follows: total cost of industry of the Ministry of Industry will be reduced by 4.5 percent; and total cost of industry of the Ministry of Agriculture and Forest will be reduced by 3 percent.

Total cost of transportation: by railroad will be reduced by 5.6 percent; by truck will be reduced by 9.6 percent; by river will be reduced by 17.8 percent; and by sea will be reduced by 3 percent.

Total cost of state-operated farms will be reduced by 24.8 percent. Communications costs of the Ministry of Domestic Trade will be reduced by 7.6 percent.

In the training of agents:

The number of newly-enrolled university students is set at 4,700, or a 4.6 percent increase over the 1959 level.

The number of new students enrolled in intermediate professional schools is set at 20,095, or an increase of 49.6 percent over the 1959 figure.

The number of newly-recruited technical workers to be trained in regular courses is set at 6,570, or 20 times the 1959 figure.

In popular education, culture, public health:

At the beginning of the school year the number of students in popular schools is set at 1,815,000, or a 19.2 percent increase over the 1959 mark.

The number of newly-enrolled students is 595,000, an increase of 7 percent over 1959.

The number of students in industrial-agricultural complementary schools is 10,000, or an increase of 110 percent over the 1959 mark.

The number of students in popular labor schools is 4,200, a 31 percent increase over 1959.

The number of village agents to attend the collective complementary cultural courses is 30,000, an increase of 150 percent over the 1959 figure.

The number of book copies to be published is 24 million, or a 41 percent increase over the 1959 figure.

Total number of hospitals, clinics, and sanatoria is 251, an increase of 35.7 percent over the 1959 mark.

Total number of medium- and high-ranking professional health agents is 2,852, 23.8 percent more than that of 1959.

Above are the main objectives of the 1960 State Plan. They show some changes if we compare them with the level indicated for 1960 in the Three-Year Plan.

Regarding rice output, because of over-estimation, in the Three-Year Plan, we set the cultivated acreage and the productivity at very high levels, hence the values of rice output and agricultural output were set too high. Through the achievements in the last few years, we have found that the ability to increase the cultivated acreage was limited; the agricultural production was still dependent on nature; the improving of techniques did not progress very much; and the management of cooperatives was weak, hence the rice output could not be fast increased. The rice output as mentioned in the 1960 plan has been decided after consideration of the actual situation. Because of the need for changing some objectives in agricultural production, mostly in rice production, it has been necessary to change also the objective for agricultural output of which the value as mentioned in the Three-Year Plan was 3,190 million; the 1960 plan shows a change to 2,687 million.

In basic construction, the total amount of capital invested in 1958 and 1959, added to the total investment indicated in the 1960 plan, slightly exceeds the figure shown in the Three-Year Plan. The number of projects, already completed or under construction, is also changed; regarding industry, we have now decided not to build the Quan Trieu Coal Mine, the Dong Ho Oil Refinery (as we know with the small amount of coal the Quan Trieu mine offers, there is no need to equip it at this moment; as we have not determined the amount of the Dong Ho Oil Well deposits, we prefer not to start construction yet). As for the cast iron-steel center of Thai Nguyen, we are actively preparing for a start; the construction work there was somewhat delayed because we had spent too much time studying the location and the planning and had not thought of how much preparation should be done. On the other hand, we already have completed a number of projects which are not mentioned in the Three-Year Plan, such as the construction of the Ban Thach Power Plant and we will soon start expanding the Thanh Hoa Power Plant, building the Uong Bi Power Plant and installing lines.

As for water resources, the Three-Year Plan indicates the construction of seven new projects, but as we reconsider the economic and technical aspects, we decided to build four projects. Thanks to the increase

of small water resource works, being added to a number of medium and large water-resource projects undertaken by the government, the area of irrigated fields is much larger than that indicated in the Three-Year Plan.

Regarding the training of agents, since 1959 and in 1960, we have increased the number of students admitted to universities as well as medium-level professional schools to satisfy the economic and cultural development demands. As compared with the Three-Year Plan, the 1960 plan shows an increase of 4,000 university students and 20,000 students in medium-level professional schools.

The above changes are necessary and still guarantee that the 1960 plan will bring about a quick, firm and stable development, reform of the economy, and bring about the development of culture in the North. Such a statement is proven by the fact that the rate of increase of agricultural and industrial production was 11.5 percent as compared with the average rate attained since 1956; the rate of increase of investment for basic construction work was 46.6 percent or 23.7 percent higher than the average rate since 1956. At the same time, we relied on our abilities in manpower, capital, and material to determine the goals of our struggling in a more realistic way; agricultural and industrial production were to be developed at normal speed while the basic construction work and the training of agents was to progress at greater speed. In agriculture, rice crops are to be increased at a normal rate while cultivation of industrial plants and animal raising are to be increased at a higher rate. In industry, the state-operated industry will continue increasing at a higher rate than other branches of industry; some products like apatite, machine-tools, bricks are to be swiftly increased.

Through the above goals, it is shown that we have tried to combine the active revolutionary spirit with the actual spirit of understanding, to avoid difficulties in carrying out the plan, thereby to assure certain success for the plan and to bring about enthusiasm and confidence for all the people before we enter the Five-Year Plan.

C. Fundamental Problems of the 1960 State Plan

1. To speed up the reforming of socialism in agriculture, handicraft and privately-owned-and operated commerce for a successful realization of the 1960 plan and to create conditions favorable to such a realization.

As for agricultural collectivization, our goal is to complete the organization of farmers into low-level cooperatives, to transfer some low-level cooperatives to the higher-level cooperatives, to strengthen and improve the quality of all cooperatives. We take the need for quick increase in production as the pretext for a boost in the movement toward collectivizing agriculture, because the problem of increasing production and income has a decided effect upon strengthening and improving the quality of our cooperatives. We need to expand the movement toward reforming techniques, mostly improving agricultural implements, expanding the scope of business for many professions, in order to

boost the income of cooperative members and prove that to join our cooperatives is much better than to do private business. We need to attach great importance to political and mind-shaping work inside the cooperatives, never to cease to educate the mind in the socialist way, to increase the cooperative members' enthusiasm for their cooperatives, to show them the right duties toward the state and at the same time to demonstrate the "two paths" which will help those who are not cooperative members to decide to join our cooperatives. We have to pay greater attention to improving the capacity of our cooperatives regarding management in production, in labor and in planning. With a view to assuring realization of the 1960 program of agricultural collectivization, bringing the movement in rural areas to higher scale and making it country-wide, we need to strengthen leadership of all levels in all fields of activities, to be able to solve new problems as they may arise from the movement for agricultural collectivization.

As for collectivization of handicraft and organization of small business people, we will finish organizing handicraftsmen into low-level cooperatives and bringing the small businessmen into collective retail organizations and at the same time transfer a part of them to the production sector. Further we will have to endeavor to push ahead the movement for collectivization of handicraft. The state and all branches of the state-operated economy should do their best to help the handicraft cooperatives in production, in sales, in technical reforming, in improving implements and equipping with simple machines, thus increasing the quality and lowering the cost of products and, therefore, increasing the handicraftsmen's income and raising their living standard. There is a necessity for an over-all classification of industrial and handicraft production so as to help compensate in the supplying of products. Regarding the small businessmen in fundamental lines of business and living in crowded areas, we need to talk them into joining various forms of collective retail organizations, and at the same time actively transfer a part of them to production. We have to attach proper importance to socialist education for those small businessmen and to encourage them to join the productive labor force.

Regarding privately-owned, privately-operated commerce, we will complete the reforming around mid-1960. In jointly-operated factories, on the basis of promoting understanding of socialism for workers and government employees and helping the bourgeois continue their reforming work, we have to keep on improving management in production, solving the problems of capital, equipment, raw material, consumption that will help increase production, reduction of cost and at the same time to improve workers' working conditions and standards living. As for organizing, we have to try to have over-all classification and study the division of management between the central government and the local authorities.

Once completed, the basic reforming of socialism will create new conditions favorable to increasing production and to realization of the 1960 plan. However, in the job of leadership, we must watch the

appearing of contradictions and difficulties which may happen and try to have good ways of overcoming them, thus continuing to push the whole movement ahead.

2. To develop agricultural production and industry to the utmost and to boost communication and transportation.

In 1960, the reforming and development of agriculture are still the main goals of our economy as a whole. To achieve such goals will pave the way toward achieving other goals in the 1960 state plan, and also toward better conditions for the first Five-Year Plan.

The direction for agricultural development is toward expanding and strengthening the movement for agricultural collectivization; increasing agricultural production in a general way, with food production as the main item, and with development of industrial plants, animal raising and forest exploitation as secondary items; not only toward the solution of the food problem, but also toward the increase of food reserves for the people and the state, greater supply of raw material for industry, more goods for export, this improving further the working classes' living standard.

In the 1960 plan, we will promote over-all agricultural development, but still consider food production as the main goal. We have to be aware of the possibility of having little consideration for food production, mostly rice, as we attach more importance to over-all development. With the situation in our country, in the long run, food production is still an important problem; we have to make sure that the food demands in the country will be met and also that the volume of exports will be increased. The leadership class should particularly see to it that cultivated acreage, mostly food plant outputs, be increased, and also that policy and planning for food saving be adopted.

In 1960, cultivation of industrially useful plants is developing fast, but remains insufficient to satisfy the domestic consumption and exporting. We should see the proper importance of the problem of developing industrially useful plants. Not only at this moment must we insure enough raw material for industry and handicraft in the country, but also we have to build up a rich source of raw material for our future will-developed industry in the years to come and at the same time to increase the volume of exported goods or our ability to cooperate with our fraternal countries. To make sure the plan of industrially useful plant development will be successful, at the moment the seasonal plants, wherever conditions are satisfactory for increase of acreage, should be increased with much more care and fertilizers should be used to boost the output. We have to pay greater attention to fibre-giving plants such as cotton, jute, "coi"; oil-giving plants such as peanut, sesame, castor-oil plants; and plants like sugar-cane, tea, coffee.

To achieve the cultivating goals described above, along with the development and strengthening of collectivization movement, we should adopt measures in a generalized way, speed up the important improvement of agricultural implements, and achieve technical reforms in a continuous system. The state-operated forms must serve as models in this movement.

It is necessary to increase animal raising in order to have more beasts of burden available and more meat supply for the people and for exports. Our animal-raising potential is still large, particularly the raising of pigs. We must actively solve the problems of food and consumption, increase the cultivation of secondary crops, study the improvement and production of new food for domestic animals, chiefly water buffalo, cows, pigs. We have to create new breeds, select good ones and at the same time prevent of diseases.

Fish raising in 1960 is developing quite well, but the acreage of places which could be used for fish raising is still large. We should step up our propaganda regarding fish raising in ponds, lakes, rice-fields; popularize the method of fish raising, and increase the supply of fry to the people.

We have to pay more attention to planting of trees to build and protect forests, continuing to encourage the people to celebrate Tet (or Vietnamese New Year) by planting trees. The state will concentrate on planting precious wood trees, trees for factories and mines, trees which need a long time to grow up like 'trau', 'so', 'hoi', 'que'. The Ministry of Agriculture and Forestry needs to strengthen the machinery for management, exploitation and improvement of forests.

It is necessary to develop secondary jobs in the rural areas to use spare labor time for agricultural production and to increase the people's income.

As for the state-operated farms, the army farms, the Southern collective agricultural production groups, it is necessary to improve their management and gradually to organize them into state-operated farms. It is necessary to increase the area for cultivation of industrially useful plants and the raising of animals, with attention paid to increasing labor output and decreasing the cost of products. At the same time it is necessary to carry on preparatory work to develop to the utmost the state-operated farms in the years to come.

The duty of industry in 1960 is to exploit to the utmost the potential of all existing institutions, to increase the building of new institutions in order to supply to various branches of production and construction with electrical power, materials, a number of machines, tools, spare parts, and at the same time, to increase the amount of consumer goods for the people's consumption and for export, and actively to prepare for the first Five-Year Plan. We need to develop the central government-owned industry, to pay attention to development of local industry, and to use to the fullest degree the jointly-owned institutions and collectivized handicraft to serve agricultural production and basic construction work better.

Regarding the state-operated industry, we have to concentrate our efforts to solve the following major problems:

To strengthen political leadership, leadership of the mind, and to promote the victory for the movement toward improved management in factories and open air workshops, continuously to mobilize the people's patriotism which will serve to increase the creativeness and

labor outputs of workers. It is necessary to strengthen union organizations and the labor youth who will be the backbone for the movement of competition to over-fulfill the goals.

To classify properly branches of production, to increase the movement for technical reform, to increase the workers' output and to strengthen technical management and technical research.

To increase the training and prestige of agents and technical workers.

To speed up basic construction work and to complete on time the pending or new projects.

To change the illogical regulations or regime; to struggle against wastes and corruption for reduction of cost.

To strengthen production management, insuring balance among projects regarding material, consumption and supply; to determine the date for each project, see to it that the motto "Relax at the beginning of the year, rush at the end" be done away with. The leadership people should particularly consider the bigger factories.

To try to improve the workers' and agents' living; to raise their wages and improve their salary situation; to come to pay according to products, improving living conditions, working conditions and industrial safety.

To prepare actively for the Five-Year Plan; to boost geological work, investigation, research, and planning.

Local industry is playing a more and more important role and needs to be strengthened and developed. The methods of building up and developing local industry are now in the hands of the central authorities. The plan intends to exploit all manpower potential, resources and financial ability wherever there are such satisfactory conditions as resources, manpower, techniques and means of consumption (local raw material, capital, manpower, techniques and means of consumption are the major considerations); to build on small and simple scale is the main consideration; to have over-all, balanced planning, along with good distribution of work, good coordination is needed. The guideline for development of local industry is now the production of material for agriculture, for consumer goods for the population, and for construction material and export products.

Under the above guideline, the local authorities should consider first the local ability and actual needs to plan their actions which must go along with the local situation. The central government ministries have to study and solve a number of problems regarding leadership organization, prices, consumption, steering and technical agents, equipment and material used to boost the building and development of local industry.

At the moment, handicraft is still playing an important role in the supply of goods. Our ability for handicraft production is still great but we have not fully exploited it. It is necessary to improve the supply of material to handicraft, to help increase the production means, to direct technical reforms, and to increase the quality of products and reduce their cost.

As for jointly-operated factories and cooperative factories, we must classify and coordinate all the institutions involved, classify the production institutions, complete the equipping work, utilize fully the present productive ability, and solve the problems of raw material and consumption in order to increase production and reduce total cost.

To serve the production and construction plans better, communication and transportation need to be properly developed. We should improve and enlarge roads and dredge rivers and canals to develop our water transportation. We need to strengthen our railroad setup further. Additional goals should be: actively to increase transportation means; to use fully the presently-available means; to speed up the movement for utilization of improved primitive means in rural areas and in open air workshops.

3. To develop fully basic construction work

The 1960 basic construction work is very urgent. We have to complete the pending projects and start a number of new ones to satisfy the immediate demands for economic and cultural development and to prepare actively for the Five-Year Plan. The objectives of the 1960 basic construction work are to pay more attention to building projects of productive character, and at the same time to pay proper attention to non-productive ones, mostly schools and houses. At the same time we have to push ahead our research, studies and planning regarding the projects to be completed in 1961 and 1962. Under this guideline, the capital invested in basic construction work for various branches is as follows:

Industry takes 45 percent of the total amount of investment, in which Sector A will take 83.2 percent. Besides continuing old projects, we will build new institutions for electric power production and for manufacturing metals, fertilizers, and construction material.

In agriculture, forestry and water resources work, density will increase from 9.6 percent in 1959 to 11.2 percent, with a goal of building a number of large and medium-sized water resources works, expanding the present farms and preparing for the forthcoming plan for farm development.

In communication and postal work, the main investment will be put into the construction of the Thai Nguyen-Dong Anh Railway, a number of needed roads and the purchase of a number of transportation means such as train cars, cars, ferry-boats, tugboats, canoes.

In trade and storage, the aim is to put capital into the construction of warehouses and a number of shops in industrial centers and in some mountain towns.

In culture, education, and public health, major effort is to put capital into the construction of universities, medium-level professional schools, industrial and agricultural complementary schools, labor popular schools, medium-level teachers' school, schools of dance, music, drama.

In housing, the aim is to build houses for workers in industrial centers where housing problems exist, for students of professional schools, and for agents, workers and government employees in various local areas.

Capital to be distributed to various local areas will also increase by 29 percent over the 1959 figure, and will be used to improve working conditions, living quarters, health and educational conditions for agents, workers, and employees of various local areas; a portion of this capital is to be used to assist local areas in their construction of water resources works and roads.

To make sure that our 1960 basic construction plan be achieved in a good manner, we have to consider the following problems:

How to solve effectively the problem of supply of construction materials, mostly steel and wood; how to organize and to coordinate transportation properly; and how to promote saving of construction material.

How to train skilled labor actively and to increase the number of labor competition participants; how to pay more attention to improving tools to be used in labor competitions, and to increase the number of participants in competitions in which machines are used.

Moreover, in organizational setup, it is necessary to entrust the Ministry of Architecture with responsibility for nonproductive projects and for unifying management in construction material production.

4. To develop trade

In 1960, the reforming of socialism will be basically achieved; various fields of economic and cultural activities will be much increased. Therefore the responsibilities of our trade are to serve production and construction, to advance the reforming of socialism to a more favorable ground, and to contribute to improving the people's living standard and to increasing the state's assets.

First of all, we must achieve sufficient supply of goods, serve production, and improve the people's living standard. Generally speaking, so far in 1960, the supply of goods for retailing has increased greatly, but some items are still far from being plentiful enough for the consumers. It is therefore necessary to organize speedy and timely goods transportation, and to adopt a definite policy combining the flow of goods and of money and expenditures thus securing the balance between goods, money and finance.

The state-operated trade must be further expanded in services such as catering, tailoring, chiefly in cities and in industrial centers under construction.

Under conditions that will be created by us for privately-operated industry and handicraft, the purchase of industrial products can be much increased, but we have to consider the problems of supply of material, delivery conditions and prices in terms of the new importance of industrial production and handicraft and make them develop fast, increasing the quality of goods and the number of new products and reducing the cost.

Local areas have to recognize the proper importance of the fact that the state must increase and control agricultural products. Effective local leadership must educate farmers regarding their duty of selling products to the state.

The Ministry of Domestic Trade must study urgently the purchasing of agricultural products, chiefly rice as it is to fit the new situation. The immediate need is to improve organization of the purchasing job, extending it according to contract and organizing a timely supply of industrial goods to meet the people's needs.

We have to maintain prices, to stabilize the markets, to increase the quantity of goods the people need in their everyday living and to increase material for production. We must pay attention to prices of other kinds of goods, including prices of services and reform price controls to assure the proper application of policy, hence to encourage an increase in production and in improvement of the people's living standards.

It is necessary to strengthen the handling of markets; to organize well the supply of goods; and to maintain prices in such areas as Hanoi where there are many construction workshops.

In 1960, the sector of socialist trade is developing fast. On the one hand we should develop the state-operated trade, and on the other, we should actively develop and strengthen the retail cooperatives to make them better able to supply goods to the rural areas and to help the Trade Office to purchase agricultural products. There must be a proper distribution of work between the state-operated trade and cooperatives, and assistance to the cooperatives so that they may improve their own management and quickly assume the retailing of goods in districts and villages.

Regarding trade in mountainous areas: It is necessary to improve the way of doing business to boost the production of forest products which will help increase the mountain population's income. We must also try to overcome transportation problems in order to have timely supply of consumers' goods and production material for mountainous areas.

5. To boost educational work, training of agents, scientific studies and cultural work.

In order to satisfy the ever increasing needs and especially to prepare for the forthcoming Five-Year Plan, we have to make great efforts in training scientific and technical agents, economic management agents and skilled workers. It is necessary to use fully all possibilities and means to train new agents and to enrich the present ones. Political education in schools must be emphasized. We have to combine closely the enlarging of regular schools with on-the-spot and on-the-job complementary training, and to combine closely the training at home and that abroad. In 1960, besides the developing existing universities and professional schools, we will open up the Water Resources Institute, the foreign trade branch of the School of Finance and Economy and 17 medium-level professional schools. We have to try to train agents in engineering, electricity, metallurgy, geology, and agents to serve in agricultural collectivization work, planning, water resources. Further, we must train more public health personnel to send to local areas, more management agents and more professional agents for the fields of economy and finance.

Along with the training and enriching of agents, we have to try to train and enrich a big army of technical and skilled workers. The form of training is still the on-the-spot one. The regulation on apprenticeship has to be clear; budget must be given to factories and used for training of workers.

Regarding technical and scientific projects, we have to strengthen leadership further. Recently, the Central Committee and the government of Soviet Union sent us a delegation from the Soviet Academy of Science, composed of talented scientists, to assist us in the scientific field; this is a good example of international cooperation among fraternal socialist countries. This delegation, which worked with the State Science Committee and related groups, gave us precious ideas regarding the organization and construction of various scientific and technological branches to serve the building of socialism in the North. We highly appreciate this whole-hearted assistance and, as a result, receive good experiences. The immediate goal is to organize thoroughly the study of science, to popularize science, and to concentrate on solving of a number of important problems in science and technology for different branches of industrial and agricultural production. At the same time, we must endeavor to train science agents, build research institutions, draft a long-term plan for science works and start a revolutionary popular movement for appreciating science as a means to build socialist economy and culture.

To provide for the training and enrichment of technical workers, it is necessary to increase the cultural activities among agents of various kinds and levels, from the village level to the central governmental one. Cultural activities among the working classes in the country and in cities have to be boosted, too. The necessary goal for the whole population is to popularize Class one, and to make sure that each person could climb from his capacity to the first Class in Level one. It is necessary to study the form of education that will be suitable for the work of our agents and the production of our people, to combine collective education with on-the-spot studying, attaching urgency to the writing of text-books as well as to development of curricula for different types of students.

We will strongly develop popular education, at the same time raising the quality, take care of political activities in schools, guiding the students to combine closely their studies, their labor and their social work.

Cultural activities need to be continued to serve the educating of the mind in socialism, in understanding the policies of the party and government; to serve the movement for socialist reform, for production and construction, and for the popularizing of science and technology; and to serve the struggle for reunification of the country. It is necessary to attach importance to publication and newspaper publishing, to increase mobile movie units' activities, to extend the radio network, and to develop the people's culture. Our aim is to reach the countryside, the factories, the open air workshops and the farms.

6. To raise the people's physical living standard and culture one degree higher

For farmers, thanks to development of agricultural production, per capita actual income will increase by 8.5 percent over the 1959 figure. Along with loans from the government, the agricultural credit of our cooperatives will assist our farmers to have means to increase production. The retail cooperatives will provide the farmers with goods at stabilized prices: the supply of water buffalo and cows, fertilizers, and improved implements will help the farmers improve their own laboring conditions. The state will pay attention to the supply of construction material to the rural areas.

After re-organization, the handicraftsmen and small businessmen will be placed in more stable employment which will bring them more steady income. As for other workers, we will have conditions suitable for creating more jobs for them due to development of their lines of economic and cultural activities.

As for workers, government employees, agents and troops, their wages will be increased in accordance with the goals described in the Three-Year Plan as another step toward distribution of income according to laboring efforts. Solutions for welfare and social security problems like housing, baby-sitting, child protection, preventive medicine, labor security, will be sought. As for housing construction, the state will spend more than 45 million piastres (more than 4.5 times the 1959 figure) to solve the housing problem for about 70,000 people.

The development of culture, education, public health, sports will help improve the people's health and cultural activities. Along with the state efforts, all classes of people have to try to develop their own possibilities in order to improve their living and show the advantages of the principle of saving and economy.

7. To prepare actively for the Five-Year Plan

While we carry out the 1960 plan, we have to save part of our strength for preparation for the first Five-Year Plan. This is a very important problem which needs particular attention.

In the previous annual plans, we have neglected all preparations for the following year's plan, particularly physical conditions which would bear bad effects on the realization of the following year's plan. We have to take it as a lesson for assessing our abilities in preparing to start the Five-Year Plan.

There are many aspects for this preparation, but in the main, there are two: on the one hand to push the movement for socialist reform - mostly the agricultural collectivization movement - further ahead, to pay greater attention to education of the mind, to means of production, and to production management; on the other hand, to prepare for physical and technical conditions, increasing the research and investigation work and planning. We have to distinguish between problems to be solved for the coming years of 1961-62, and problems to be solved on a long-range basis, with a goal of carrying out projects effectively and on time.

Further we have to study the policies and the organizational machinery, and to change working methods and to complete the job of diversifying economic management. As for planning, we have to speed up the drafting of the Five-Year Plan and that for 1961.

Delegates to National Assembly,

The 1960 State Plan has a very important place in the realization of the Three-Year Plan and in the preparations for starting a Five-Year Plan. A successful realization of the 1960 plan will have great political and economic significance. It will start an enthusiastic trend among the people, increase their confidence in the success of the building of socialism in the North, and at the same time, help raise the struggling spirit of our compatriots in the South. The goals of the 1960 plan have been decided upon according to a realistic and sound principle. We have to boost our determination, overcome difficulties, gain the best abilities in order to achieve successfully the planned goals.

To meet the above demands is to strengthen leadership in the fields of the mind, of policies and of organization.

Experiences from the past years show us that: the realization of the plan meets difficulties and obstacles wherever the leadership and the education of the mind have been neglected, or untimely or sporadic. The need is to boost up education of socialism for our agents, workers, farmers and all other classes of people, to make them understand and appreciate the advantages and usefulness of the state and the community and to increase their determination in the struggle for achievement of the plan. The need is to emphasize the new events, the instances of heroic struggle, of pioneering labor deeds; to encourage initiative and discoveries; to praise great achievements for the purpose of increasing the people's confidence and enthusiasm, thus pushing the movement ahead toward realization of the 1960 State Plan. At the same time, we have to praise political understanding, and to watch and prevent the enemy's plots and sabotage work.

The progressive development of economy and culture and particularly the ever-expanding movement for socialist reform require us to study urgently and to adopt realistic policies, such as policies regarding the transfer of agricultural cooperatives from lower to higher levels, the purchase of products, and the spending in cooperatives, in order to guarantee the realization of the plan.

We have to pay greater attention to strengthening the whole economic management and planning setup, from the central governmental level to the local one, while reforming working methods; recognizing the rank-divisions in management; coordinating closely among various levels and branches; and strengthening the inspection system.

Delegates to National Assembly,

The Three-Year Plan for economic and cultural development and reform is in its concluding year; the 1960 plan has been in operation for the last three months. Our whole people is competing for greater patriotism in pushing ahead all activities, struggling for realization of the plan each week, each month, till the final realization of the 1960 plan and the Three-Year Plan, a prepatation for the coming Five-Year

Plan.

In the light of the resolution at the 14th Conference of the Lao Dong Party and at the Ninth Session of the National Assembly, the revolutionary movement, started in mid-1958, has been developing and expanding ever since. The reforming of socialism regarding the individually-operated economy and the capitalistic economy, chiefly the movement for agricultural collectivization, has been expanding fast; the building of socialism has been progressing at the same time; all economic and cultural lines of activity - mostly agricultural and industrial production - have been developing at great speed; these lines of activity have brought about initial changes which are very important in the social and economic life of the North.

Tens of thousands of cooperatives, hundreds of factories, open air workshops...have appeared, increasing our socialist economic strength. They are a very good foundation for completion of socialist reform and for building of socialist production in our people's economy as a whole.

Millions of working men and women, as well as owners of rice-fields and of factories, are competing in production, construction, and education and they are progressing enthusiastically. Socialist ideas, deeply rooted in the mass, are being raised to a higher place and to priority and constitute our very strength which will affect all progress in our society.

On the basis of the reform of the old economy and the construction of a socialist economy, production of our agriculture and industry is being boosted; therefore our people's living standard is improved and our nation's wealth is being increased also. The outstanding achievement has been food production, in the past 2 years rice and secondary crops increased by 1,400,000 tons, thanks to which we were able to overcome food shortages at the approach of harvest time and increase our food reserve and the volume of exported food. Industrial and handicraft production has resulted in the manufacturing of new products, satisfying for the most part the need for consumer goods; all branches of our material production have been given a boost, too. Management of markets has gradually come to its orderly organizational state and prices have become more and more stable.

Work in the fields of education, culture, and public health also show a lot of progress. Illiteracy has been eliminated in the delta and is being eliminated in the mountainous areas.

We are enthusiastic over such achievements. They are the results of the evolutionary plan we adopted and whose goals are to push ahead the reforming of socialism as the main concern of our political responsibility and to develop the basic construction works and the state-operated economy. They are also the results of the principle of fast, strong, stable progress in every field of action we adopted. Such achievements show that the party and government leadership has been right and also show that our people's revolutionary capacity has been very large. Such achievements are related to the whole-hearted assistance of the Soviet Union, China, and other fraternal countries to our country.

In the past 3 months, we made some more progress. The movement toward competition for patriotism was much boosted during the last months of 1959 and since the beginning of this year has been developing in a continuous and stable manner.

Generally speaking, the 5th-month rice crop has been replanted on time and might very well reach the goal for cultivated acreage; the water resource work showed much progress and usefulness during the past two fights against drought; the movement toward using and making more fertilizer expanded quite fast, from the record of 1,000 kilograms to that of 5-7,000 kilograms. In agricultural production cooperatives, after the recent period of political education, the spirit of cooperative ownership has been further stressed and the quality of the collectivization movement has been increased; these are good preparations for the next stage.

At the end of 1959, while struggling for the realization of the plan, the industrial factories made a big effort in overcoming their shortcomings; therefore, at the beginning of 1960, the trend of industrial production development was successfully maintained and most of the factories completed their goals. The competition for big achievements as a means to celebrate the 30th anniversary of the creation of the party was very successful in various factories; our workers developed their initiative to increase production, and at the same time proved their pioneering role.

Remarkable results of technical reforming, of increasing the Cam Pha Mine workers' production, the self-encouragement involving various cells at the Nam Dinh Weaving Factory with the chiefs of the advanced cells volunteering to work at slower cells showed that the workers' competition for patriotism was making fresh healthy progresses. Through the above events, we recognize more and more that the movement toward reforming factory management has achieved big successes whose effects are being more and more pronounced.

At open air workshops, although we met many difficulties, the movement toward competition among the construction workers did make good progress which has been reflected in improved tools, in the consideration of our fraternal countries' experiences, and in the saving of material and the speed with which the competition for labor output was taking place.

In culture, the movement toward complementary studies was moving ahead fast, chiefly among the agents and government employees. Many agents who operate at the central governmental level or in local areas regularly attended classes. Thanks to our agents, the government employees have shown a change in their understanding of the need for a higher level of general knowledge which would give them the means to improve their technique and profession as well as political capacity; therefore, the movement has proven to be very successful in various institutions.

The above new progresses are creating an advantageous impulse for the realization of the 1960 plan. The electoral campaign for the National Assembly elections. preparations for the celebration of President

Ho's 70th birthday, the celebration of the 15th anniversary of the creation of the Democratic Republic of Vietnam, and the greetings to the Third Party Congress will further mobilize our people's revolutionary enthusiasm regarding production, construction, and education.

Under the clear-sighted leadership by the party and the government, with our people's love for work and determination to overcome difficulties, we will no doubt successfully realize the 1960 plan, thus ending the Three-Year Plan, preparing the ground for the Five-Year Plan, and pushing further ahead the building of socialism in the North which will serve as the strong foundation for our struggling for our country's reunification.

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